

Article - Health - General

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§21-2C-11.

- (a) In this section, “Fund” means the Prescription Drug Affordability Fund.
- (b) (1) The Board shall assess and collect an annual fee on:
 - (i) Manufacturers that sell or offer for sale prescription drug products to persons in the State;
 - (ii) Pharmacy benefits managers, as defined in § 15-1601 of the Insurance Article;
 - (iii) Carriers, as defined in § 19-132 of this article; and
 - (iv) Wholesale distributors, as defined in § 12-6C-01 of the Health Occupations Article, that sell or offer for sale prescription drug products to persons in the State.
- (2) The Board shall:
 - (i) Assess and collect the annual fee under paragraph (1) of this subsection in accordance with criteria established in regulations adopted by the Board; and
 - (ii) Calculate the annual fee under paragraph (1) of this subsection in a fair and equitable manner.
- (3) (i) On or before October 1 each year, each entity assessed a fee under this subsection shall pay the fee assessed by the Board.
- (ii) The Board shall allow entities to make partial payments when paying the fee assessed under this subsection.
- (iii) Any fee not paid within 30 days after the payment due date may be subject to an interest penalty to be determined and collected by the Board.
- (4) The total amount of fees that the Board collects in each calendar year under paragraph (1) of this subsection may not exceed \$2,000,000.

(5) The Board shall pay all fees collected under paragraph (1) of this subsection into the Fund.

(c) (1) There is a Prescription Drug Affordability Fund.

(2) The purpose of the Fund is to provide funding for the Board and to carry out the purpose of this subtitle.

(3) The Board shall administer the Fund.

(4) (i) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.

(ii) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.

(5) The Fund consists of:

(i) Revenue distributed to the Fund under subsection (b) of this section;

(ii) Money appropriated in the State budget to the Fund;

(iii) Interest earnings; and

(iv) Any other money from any other source accepted for the benefit of the Fund.

(6) The Fund may be used only to provide funding for the Board and for the purposes authorized under this subtitle, including administrative expenses and any costs expended by any State agency to implement this subtitle.

(7) (i) The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.

(ii) Any interest earnings of the Fund shall be credited to the Fund.

(8) Expenditures from the Fund may be made only in accordance with the State budget.

(9) The Fund is subject to audit by the Office of Legislative Audits as provided for under § 2–1220 of the State Government Article.

(10) This subsection may not be construed to prohibit the Fund from receiving funds from any other source.

(d) (1) The Board shall be established using special or general funds, which shall be repaid to the State with the funds from the Fund.

(2) If the Board receives funding from the Maryland Health Care Commission under paragraph (1) of this subsection, the Board shall repay the funds to the Commission from the Fund over a 3-year period beginning June 1, 2021.

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